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DOGM Lead: Peter
Permit Fee \$ 1500 Ck# 738

Task: 5394

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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APR 10 2013
DIV. OF OIL, GAS & MINING

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program (R647). The rules and Act are available online at <http://www.rules.utah.gov/publicat/code/r647/r647.htm> and http://le.utah.gov/~code/TITLE40/40_08.htm.

Cultural Resources Survey: To fulfill its obligations under Utah Code Annotated 9-8-404, the Division needs cultural resource (archaeology) information. The amount and type of information required will depend on the mine location, the history of previous disturbance, and other factors. Please contact the Division for further information.

A permit fee of \$150 must accompany this application (Utah Code Ann. §40-8-7(1)(i)) and is due annually.

"Small Mining Operations" are operations which have a disturbed area of ten or fewer surface acres at any time in unincorporated areas, or five acres or fewer in incorporated areas.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Rainbow Mine
2.A. Name of Entity Applying for a Permit: Provis Enterprises, Inc
Contact (Authorized Officer): Richard Proctor
Mailing Address: P.O. Box 708232
City, State, Zip: Sandy, Utah 84070
Phone: 801-285-9489 Fax: _____
E-mail Address: Provis@Clear.NET

Entity is a: ☒ Corporation, ☐ LLC, ☐ Sole Proprietorship (dba), ☐ Individual, ☐ Partnership (General, or limited), ☐ Other (specify type) _____

Business Entity (not individuals) must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) If not currently registered, contact www.commerce.utah.gov to renew or apply.

- 2.B. Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No
Business Entity #: 1205141-0142
Local Business License #: NA (if required)
Issued by: County: NA or City: NA

Registered Utah Agent (as identified with the Utah DOC) (if individual leave blank):

Name: Richard Proctor Title: CEO
Address: P.O. Box 708232
City, State, Zip: Sandy, UT 84070
Phone: 801-285-9489 Fax: _____
E-mail Address: Provis@Clear.NET

2.C. Entity's Representative(s) (if different from #2A) authorized and designated to receive notices of violation, cessation orders, and all other notices to be given to the permittee or operator by the Division.

Name: None Title: _____
 Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 Emergency, Weekend, or Holiday Phone: _____
 E-mail Address: _____

Name: _____ Title: _____
 Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 Emergency, Weekend, or Holiday Phone: _____
 E-mail Address: _____

3. If Business is a Sole Proprietor (dba) or Individual:

Name of Owner: NA Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

If Business is a Corporation:

Name of Officers: Richard Proctor Title: CEO
 Name: _____ Title: _____
 Name: _____ Title: _____
 Name: _____ Title: _____
 Headquarters Address: P.O. Box 708232
 City, State, Zip: Sandy, UT 84070
 Phone: 801-285-9489 Fax: _____
 E-mail Address: provis@clear.net

If Business is a Limited Liability Company: Member Managed () Manager Managed ()

Name of 1st Member/Manager: NA Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

Name of 2nd Member/Manager: _____ Title: _____
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

If Business is a Partnership:

Names of Partners: NA
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

If Business is a Partnership:

Names of Partners: NA
 Business Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____
 E-mail Address: _____

5. **Ownership of Land Surface:**

Private (Fee) () BLM (X) US Forest Service ()
 State Trust Land/School Sections () State Sovereign Lands ()
 Other (please describe): _____

Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____

6. **Ownership of Minerals:**

Private (Fee) () BLM (X) US Forest Service ()
 State Trust Land/School Sections () State Sovereign Lands ()
 Other (please describe): _____

Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____
 Name _____ Address _____

BLM Claim Number(s): _____

Utah State Lease Number(s): _____

BLM/USFS Lease or Project File Number(s): _____

Name of Lessee(s): _____

7. **Have the above surface and mineral owners been notified in writing?** Yes X No _____
 If no, why not? _____

8. **Does the Entity have legal right to enter** and conduct mining operations on the land covered by this notice? Yes X No _____

What is the pre-mining land use, i.e. cropland, grazing, wildlife habitat? wildlife

What is the postmining land use? wildlife

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): Piute

(Lot 6) 1/4, of NW 1/4, of SW 1/4, Section: 6 Township: 28S Range: 3W
 _____ 1/4, of _____ 1/4, of _____ 1/4, Section: _____ Township: _____ Range: _____
 _____ 1/4, of _____ 1/4, of _____ 1/4, Section: _____ Township: _____ Range: _____

UTM East: 38°24'099 (if known) UTM North: 112°15'047 (if known)

Name of Quad Map for Location: Marysville, Utah

Lat/Longs

2. **Is the project within an incorporated area?** () Yes (X) No
If yes, what is the town or city? _____
3. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.
 - a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.
 - b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:
 - i. The area to be disturbed;
 - ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
 - iii. Any adjacent previous disturbance for which the operator is not responsible.
 (Contact the Division for a list of consultants and land surveyors for mapping assistance.)
4. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface (X) Underground ()
2. **Mineral(s) to be mined:** Placer Gold
3. **Amount of material** to be extracted, moved, or proposed to be moved: 72,000 TONS over a 2 year period
4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process? Yes () No (X) If yes, please describe (add extra pages if needed): Water will be used TO process materials
5. Provide a brief **description of the proposed mining operation**, and onsite processing facilities (add extra pages if necessary). See Attached sheets
6. () **New Road(s):** Length _____ (ft), Width _____ (ft) No
7. () **Improved Road(s):** Describe improvements that need to be made to existing roads to access the site, including the Length _____ (ft) and Width _____ (ft) of new disturbances. No
8. Total project surface **acreage to be disturbed:** 1 (acres) PLEASE SPECIFY EXACT ACREAGE (this will be used to determine surety bond amount – see #VI).
9. Proposed **startup date** (month, year): 1 May 2013
10. Proposed **completion**, if known (month, year): UNKNOWN

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at::

https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*
11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*
12. *Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.*
13. *Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)*
14. *Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.*

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance must be approved writing *in advance* by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measures to be utilized to meet the intent of the rule. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes (☐) No (☒)

Variance Requested

Item # Applicable Rule

Justification: _____

Alternate methods or measure to be utilized: _____

Attach additional page(s) if more variances are requested.

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index.

Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.

VII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; **or** (4.) the member or manager if applicant is a limited liability company.

Signature: _____

Date: _____

Name (typed or printed): _____

Title/Position (if applicable): _____

Notice of Intention to Commence Small Mining Operation

III. Operation Plan

5. Brief Description of the Proposed Mining Operation, and onsite processing facilities.

Provis Enterprises, Inc intends to begin a small mine operation on or about 1 May 2013. We will begin by establishing a 1 acre site in Lot 6 which is the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 6 Township 28S Range 3W. The GPS coordinates of the acre are:

Northeast Corner	N	38	24	099
	W	112	15	047
Northwest Corner	N	38	24	080
	W	112	15	059
Southeast Corner	N	38	24	074
	W	112	15	023
Southwest Corner	N	38	24	067
	W	112	15	048

All of our processing and equipment will be located within our designated acre. The first item placed will be the wash plant. We will place this plant on a small knoll along the southwest boundary of the designated acre.

Using the wash plant as a base point we will establish a 1,500 gallon tailings pond which will be followed by 2 or 3 1,500 gallon water storage containers. All three or four of these water containers will be around 7 feet in diameter, connected in series, and will be located just East of the wash plant. The water will be pumped up from the last water container to the wash plant at a rate of about 73 gallons per minute. We will rent a bobcat earth moving vehicle to take the material from the trenches to the wash plant. The wash plant is capable of processing 7.5 tons per hour. After the material is washed it passes through a series of sluice boxes to collect the gold. The residue that comes from the sluice boxes falls into the tailings pond and settles to the bottom. The water then passes through each pond in turn becoming clearer and clearer. From the last pond the water is again pumped to the wash plant and the cycle repeats.

As the residue settles and collects in the tailings pond we will use a dredge to pump the residue either onto a conveyor belt or into our dump truck to be conveyed to our initial dump site at the Southeast corner of our acre.

We will procure water either from an nearby pond, the Sevier River or a local farmer. The water will be transported in a plastic container mounted on our truck bed on an as needed basis.

Regularly we will clean out our sluice boxes and take the material through a classifying screen to our ultra high frequency vibrating table for gold separation. The table will be operated in an international shipping container which we will convert into a processing location. All moveable items will be kept in this container for safe keeping.

500 yards
We have contacted Rocky Mountain Power to drop us an electrical connection from the pole located on the attached drawing. The pole is around ~~70~~ yards from our acre and the electricity will be provided through an appropriate cord for the voltage and amperage. This cord will be stored at night in the international container. This connection will provide us with sufficient electricity to operate the wash plant, the high frequency table, the lights and ventilation fans in the international container, the conveyor belts, the pumps, and the equipment to clean out the sluice boxes.

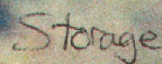
The international container will be located along the Southern border of our acre just West of the wash plant.

As there are existing roads from US Highway 89 we will not need to create either new roads or improve the current ones.

In the future we plan to continue our operation first onto the acre East and adjacent to our current location. After that we anticipate operating on the next acre west and adjacent to our current location. These operations will commence two or three years from now.



See Key



Operation Map



Notice of Intention to Commence Small Mining Operation

II. Project Location and Map

3b. The operations map.

Locations of Equipment on the Map

As the map is quite small I have established numbers for the intended equipment and placed them on the map for reference. The items have been staked and marked on the site.

A - The acre to be disturbed A, B, C, D, E, F

A - N 38 24 099
W 112 15 047
B - N 38 24 080
W 112 15 059
C - N 38 24 067
W 112 15 048
D - N 38 24 074
W 112 15 023
E - N 38 24 077
W 112 15 026
F - N 38 24 077
W 112 15 028

Distances:

A to B = 214.25'
B to C = 140'
C to D = 203.5'
D to E = 31'
E to F = 20'
F to A = 281'

East to West parallel lines are 190 feet apart

Square Feet of disturbed Area = 43,560 or One Acre

G - Wash Plant - 4 X 6 feet

N 38 24 072
W 112 15 037

H - International container - 9 X 40 feet and 9 feet tall

Southwest Corner is: N 38 24 069

W 112 15 044

I - Tailings Pond - 7 feet in diameter

N 38 24 073

W 112 15 036

M - Water Storage Containers - 7 feet in diameter M, N

M: N 38 24 074

W 112 15 034

N: N 38 24 073

W 112 15 034

J - Parking for Vehicles - 30 X 20 feet

Northeast Corner is: N 38 24 093

W 112 15 051

K - The area of the cuts, pits and trenches for material to process

The area is within the acre 5 feet or more from the edge

L - Beginning Discard Pile

Q - Power Pole

N 38 24 095

W 112 15 010

R - The road we will use

O to P - The dam on the East side of our area.

The dam is indicated on the map just East of our acre and we do not plan to interfere with its integrity at this time.

The site does not appear to have had any prior disturbance except for the man made dam itself which created the actual mining location.

No new roads will be needed or created.

As this is a surface placer mine there will be no drill holes or shafts.